



Rating Rationale

Aarkee Extrusion Pvt Ltd

20 Jan 2021

Brickwork Ratings downgrades the long term rating and reaffirms the short term rating for the Bank Loan facilities of ₹ 7.00 Crore of Aarkee Extrusion Pvt Ltd based on best available information, as the issuer did not cooperate.

Particulars

Facility	Amount (₹ Cr)		Tenure	Rating*	
	Previous	Present		Previous (December, 2019)	Present
Fund Based	4.00	4.00	Long Term	BWR B Stable (Downgraded) Issuer Not Cooperating	BWR B- (Downgraded) Issuer Not Cooperating*
Non-fund Based	3.00	3.00	Short Term	BWR A4 (Reaffirmed) Issuer Not Cooperating	BWR A4 (Reaffirmed) Issuer Not Cooperating*
Total	7.00	7.00		INR Seven Crores only	

Please refer to BWR website www.brickworkratings.com/ for definition of the ratings

*Issuer did not cooperate, based on best available information.

Details Bank facilities is provided in Annexure-I

RATING ACTION / NATURE OF NON-COOPERATION

The long term rating of the Bank Loan Facilities of the company has been downgraded and the short term rating has been reaffirmed based on the available information as the client has not submitted any information for ascertaining the financial risk profile/performance of the company. We have therefore continued the rating under the “Issuer Not Cooperating” category.

The rating was due for surveillance in December 2020. The company was being regularly followed up for surveillance, vide telephone calls and emails dated 30.12.2020, 08.01.2021, 12.01.2021, 18.01.2021, 19.01.2020 and 20.01.2021 for obtaining the latest information for the review of the rating, however, the client did not submit the required documents despite repeated follow up. Whenever we called the client; there was no response or the number was switched off.

In the absence of adequate information from the company/bank, BWR is unable to assess the company’s financial performance and its ability to service its debt and maintain a valid rating. Hence, on account of inadequate information and lack of management cooperation, BWR recommends to downgrade the long term rating and reaffirm the short term rating of the Bank Loan Facilities of the company at **BWR B-/A4; Issuer Not Co-operating.**



LIMITATIONS OF THE RATING

Information availability risk is a key factor in the assessment of credit risk as generally, non-cooperation by the rated entities to provide required information for a review of the assigned rating may also be accompanied by financial stress. Users of the credit ratings should therefore take into account possible deterioration in the credit quality of the rated entity arising from its non-transparency withholding of information required for a review of the rating.

KEY FINANCIAL INDICATORS (in ₹ Cr) [AS AVAILABLE WITH BWR]

Key Parameters	Units	FY 16	FY 15
Result Type		Audited	Audited
Operating Income	₹ Cr	18.07	16.64
EBITDA	₹ Cr	1.10	1.05
PAT	₹ Cr	0.13	0.14
Tangible Net Worth	₹ Cr	2.54	2.39
Total Debt /TNW	Times	3.07	2.62
Current Ratio	Times	1.36	1.25

COMPANY PROFILE (as on March 2017)

Aarkee Extrusion Pvt Ltd (AEPL) established in 2007 at Vadodara (Gujarat, India) engaged in manufacturing and supplying an extensive range of Architectural Profiles, Aluminium Extrusion Plant & Machinery, Industrial Profiles and Structural Profiles, etc. The products offered by Company comprises Aluminium Profile, Rectangular Tube, Handle Section, Door Section, Partition Section, etc. These products are manufactured in accordance with the set market norms using quality raw material and latest technology under the guidance of skilled professionals. The raw material which is used to manufacture these products is procured from certified vendors of the industry in compliance with the set international quality standards. These products are widely acclaimed for their fine finish, high tensile strength and high durability

NON-COOPERATION WITH PREVIOUS RATING AGENCY IF ANY : Nil

HISTORY FOR THE PREVIOUS THREE YEARS [including withdrawal and suspended]

Instrument /Facility	Current Rating			Rating History For The Previous Three Years [including withdrawal and suspended]		
	Type (Long Term/ Short Term)	Amount (₹ Cr)	Rating	2020	2019	2018**
Fund Based	Long Term	4.00	BWR B- (Downgraded) Issuer Not Co-operating*	-	BWR B (Stable) (Downgraded) Issuer not cooperating	-
Non Fund Based	Short Term	3.00	BWR A4 (Reaffirmed) Issuer Not Co-operating*	-	BWR A4 (Reaffirmed) Issuer not cooperating	-
Total		7.00	INR Seven Crores only			

*Issuer did not co-operate; based on best available information.

** Note: The initial rating of BWR B+/A4 (Stable) was assigned in March 2017

COMPLEXITY LEVELS OF THE INSTRUMENTS

For more information, visit www.brickworkratings.com/download/ComplexityLevels.pdf

Hyperlink/Reference to applicable Criteria

- [General Criteria](#)
- [Approach to Financial Ratios](#)
- [What constitutes Non Cooperation](#)

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ANNEXURE I

Aarkee Extrusion Pvt. Ltd..

Details of Bank Facilities rated by BWR

Sr.No	Type of Facility	Long Term [Rs. Crs]	Short Term [Rs. Crs]	Total [Rs. Crs]
1	Fund Based Cash Credit cum ODBD	4.00	-	4.00
2	Non Fund based Letter of Credit-Inland	-	3.00	3.00
TOTAL				7.00

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